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ABSTRACT

This paper discusses three topics related to the issue of the changing environment for community colleges. It first explores the market forces impacting community colleges and how these forces affect organizational design. Second, the tensions that reside within community colleges and act as impediments to change are addressed. The internal tension and intensifying market forces are contradictory in nature. Third, the model of a contradictory college is discussed in some detail. A contradictory college is one that is capable of managing tradition while simultaneously creating revolutionary change and learning from both experiences. A contradictory college will allow different dimensions of change to coexist, thereby providing room for development. The discussions entailed in the paper do not provide the single model for the future, but encourage different ways of thinking about what community colleges need to do if they are to remain vital in the market economy and serve all students well. (Contains 13 citations.) (AF)

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Issues Paper No. 6

Contradictory Colleges: Thriving in an Era of Continuous Change

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economic and public policy advances over 40 years helped to create and grow community colleges. By today's standards, however, first generation institutions could not survive. Their strategy was to "develop and deliver" and factors of demand, competition and quality were relatively insignificant as part of this strategy. These institutions could simply offer courses and provide services that would attract students. Growth was their focus and a comprehensive institution with many offerings was a natural, though inefficient, organizational form. To be fair, they did plan and were sensitive to market dynamics and student needs, but nowhere near the extent to which today's high performing organizations do these things. Change within these organizations was slow and tradition was important for establishing legitimacy in the higher education community.

Today's prevailing market forces place intense pressure on community colleges that faculty and administrators in yesterday's institutions could not have imagined or dealt with. Hyper competition, smarter and more active customers, advancing technology, and a quickening pace of change force today's institutions to focus on "sensing and responding" to rapidly changing market forces. They

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must quickly and effectively acquire, interpret and act on information in order to compete. This means that community colleges must organize to tap continuously into external markets and to convert information into decisions that make them distinctive.

The objective of this commissioned paper for the New Expeditions project of the American Association of Community Colleges is to help leaders facing challenges from outside to redesign community colleges so they can move with—and ahead of—change. The ideas presented represent a synthesis of our thinking about the future in articles that have appeared recently in the *Community College Journal*, monographs and research reports prepared under the sponsorship of the *Consortium for Community College Development*, and the AACC monograph *Core Indicators of Effectiveness for Community Colleges*. This paper begins by describing market forces impacting community colleges and the implications of these forces for organizational design. Next, it defines fundamental tensions inside community colleges which impede effective responses to change. The combination of intensifying market forces and unresolved tensions mandates consideration of a different type of organization—one that is *contradictory* in nature. The balance of the paper is devoted to a working description of the **Contradictory College.** What is it? How does it work? What kinds of value does it create for customers inside and outside the college? And, What advantage does this organizational form provide for community colleges in the market they will be part of tomorrow?

Changing Market Forces

As community colleges approach the new millennium, transformational forces are compelling them to raise fundamental questions, to make hard choices, and to implement necessary changes so they can improve performance. Colleges are responding by involving stakeholders more deliberately in decisions about resources. Arm's-length transactions between institutions and their constituencies are being replaced by aggressive alliances and outreach in which intangibles such as service, innovation, and flexibility become essential to success. New indicators of performance are drawing interest and becoming part of the effectiveness equation.

Among the transformational forces at work inside and outside our colleges, four are so pervasive that to ignore them is to invite trouble: students with changing needs and expectations, new competitors, technology, and the drive for performance and accountability (Alfred, Ewell, Hudgins, and McClenney, 1999).

Students with Changing Needs and Expectations

A powerful new wave of students with intensifying needs and expectations is hitting college campuses. Students and clients outside of college walls, such as employers, are becoming more and more critical of the quality of service they receive, and they expect something to be done about it. Students now say, "I want terrific service. I want convenience. I want quality. Give me classes 24 hours a day, and give me close-up parking if possible." Students do not want to pay for anything they are not using (Levine, 1998). They want convenience, responsiveness, and flexibility, and they want it now—or they will go somewhere else to find it.

Two distinct attributes of this intensifying demand have important implications for effectiveness. A college's efforts to measure effectiveness must include not only its ability to meet current needs but also its ability to deliver what customers expect if they are to be pleased with the quality of service. Students have an expanding array of options for postsecondary education and quickly become familiar with programs and services they once considered novel. The more experience they have with a program or service, the more discerning they become about their own needs and the variety of ways available for meeting those needs (Alfred, 1999). As they progress along a scale of experience and exposure to what institutions have to offer and become familiar with other options, their needs begin to shift and their expectations to rise. Raised expectations are difficult to diminish. They drive up the standards against which students express satisfaction and create a new level of service expectation.

New Competitors

Until recently, competition involved predictable relationships among known competitors in a stable market. Today, however,

the environment is one of unpredictable and turbulent change. New competitors are reshaping the postsecondary education market. The University of Phoenix, the fastest-growing educational institution in the world, serves 70,000 students on 100 campuses in 32 states and offers an online campus with complete degrees. Phoenix is not alone. A growing number of for-profit higher education companies (DeVry, Inc.; ITT Educational Services, Inc.; Education Management Corporation; Computer Learning Centers) are setting up shop in storefronts near campuses (Alfred, Ewell, Hudgins, and McClenney, 1999).

Other players include the cable industry giants, the corporate universities (the fastest-growing sector in higher education), the course software developers, and the burgeoning array of new public and private partnerships. There are also the virtual universities, electronic campuses, and electronic community colleges, all without geographic boundaries (McClenney, 1998).

In a competitive market, success comes to organizations that distinguish themselves in the eyes of customers (Alfred, 1999). The University of Phoenix for example, stands out because it has developed systems to quickly develop and deliver new programs to clients. Telephone and cable companies make education convenient through distance delivery into homes, community centers, shopping malls, and just about anywhere people congregate. Corporate training programs provide unique ways of connecting education and work. For example, Motorola and General Electric have developed customized training programs that give workers skill sets that can be transported to many different businesses. And we should not overlook the reputation for customer service that some proprietary institutions have established by totally reinventing processes such as student intake, placement, and financial aid delivery.

Technology

Technology will profoundly affect virtually every aspect of education: what students learn, how they learn, and when and where they learn. The increase in computer ownership among American families is one of many forces driving heightened expectations for technology on community college campuses. Today, more than 50 percent of U.S. homes have at least one computer (McClenney, 1998). In 1997, for the first time, computers outsold televisions. Twenty-three percent of the population of the United States and Canada use the Internet. By the beginning of 1999, an estimated 80 percent of U.S. public schools were expected to be online.

In the United States, corporate spending on information technology surpassed expenditures on manufacturing technology several years ago. Computer technology is ubiquitous, cutting across income categories as well as educational and occupational lines. Technicians, farmers, small business owners, office workers, and degreed professionals are all likely to use computers in their daily work.

Demography also fosters expectations about the impact of technology on community colleges. Demographic data point to a rising demand for postsecondary education than has not been matched by gains in campus capacity. Distance education fuels rising expectations among state officials that technology can resolve some pressing capacity problems for less money than the costs associated with expanding campus facilities, building new campuses, or hiring more faculty (Green, 1996). Policymakers are now concluding that traditional place-based, credit-for-contact educational models are too expensive to meet the rising demand for educational services.

Performance and Accountability

Pressures for performance documentation are intensifying from almost every constituency served by community colleges. The passage of Student Right-to-Know legislation in the Higher Education Act and a congressionally created blue-ribbon panel on college costs are two of the more recent manifestations of a trend that has been accelerating since the 1970s and is apt to intensify in the next century. The inescapable conclusion is that policymakers and the public are through with signing blank checks for higher education. Colleges are going to be expected to perform, to document their performance, and to be accountable for producing return on taxpayer and student investment (McClenney, 1998). They are going to see this dynamic reflected in performance indicators, performance funding, performance contracting, and performance pay.

Accountability works as both an incentive and an obstacle for our colleges. As an incentive, it pushes colleges to develop performance models and indicators at a faster pace than would result from natural organizational processes. As an obstacle, it limits the terrain for interpretation of institutional performance to subjective criteria based on limited experience. All too often, these substitutes for direct experience drive accountability expectations, although they may have little or nothing to do with the mission of the institution or its performance.

A decade of rhetoric and effort has produced minimal change in performance assessment. Only a small number of colleges can produce credible data documenting student academic performance and progress. Our colleges continue to be vulnerable to policymakers' questions about performance on traditional measures of student success (graduation rate, time to degree, retention, transfer rate). And they cannot mount an effective campaign to persuade policymakers to pursue alternative measures, because data is not available to make the case (Alfred, Ewell, Hudgins, and McClenney, 1999).

One conclusion that can be drawn from this description of market forces is that community colleges operate in a world of countervailing pressures and they will need to organize in contradictory ways to respond to these pressures. Most institutions organize activities close to the center of the organization. However, as customer markets change and competitors deliver services outside of traditional boundaries, community colleges will need to organize and deliver activities closer to customers. Customers will not migrate to colleges that do not meet their expectations. Adult students will not enroll in colleges with inconvenient schedules and inadequate services. Employers will not enter into contractual relationships with colleges that do not meet their quality, cost, and service requirements. Baccalaureate institutions will be hard-pressed to admit students from colleges that do not provide a foundation in basic skills. Government agencies will withhold full resources from colleges that do not document a return on investment by publishing information about costs and degree and program completion. Community organizations will be reluctant to commit resources to institutions that do not get involved with important community development issues.

To meet this challenge, community colleges will need to ensure that their organizational designs are flexible and dynamic. New designs will be needed in the future as institutions respond to contrary demands of the market. Successful institutions will embrace change and effectively merge tradition and change to create multiple forms of value that satisfy the needs and expectations of multiple customers. To do this they will need to organize around different principles.

Fundamental Tensions

As community-based organizations, community colleges should be equipped to accept and deal with change. Leaders come into daily contact with new concepts describing how postsecondary education has to change, catchy ideas proclaiming that the past is dead, and rebellious new rules for making it in the new market. These "revolutionary" ideas compete with history, tradition and norms that are a source of strength, but also fuel resistance to change. There are basics that must always remain the same. Teachers teach and students learn. Curriculum can only be determined by a subject specialist. A school year begins in September and ends in the spring. Our lives have been comfortably built around these assumptions, and it is hard to let them go (Carter and Alfred, 1999).

The clash between tradition and change has created the classic door number-one and door number-two situation for our colleges. Door number-one is called the status quo, and colleges that take this route will face a bleak future. Door number-two is a different route. It involves a commitment to change founded on a belief that a new infrastructure is needed to thrive in a market with competitors pushing new boundaries and students wanting more and better service. This door means new organizational models, new ways of doing business, and new approaches to measuring performance which ultimately call into question the vitality of the institution. It involves new imperatives for both leaders and institutions.

Sound dramatic? It is, unless we understand that there is a third door for all of our

colleges. This door encourages leaders to pursue change by carefully balancing continuity and change. It is impossible to ignore the hype, but we can ask fundamental questions about change. Why does the institution need to change? What must change/what must remain the same? How can colleges organize to embrace tradition and change? What are the benefits of change and how will colleges realize them? When does the mythology of change supercede its reality? Supercede reality—is that possible? Yes, change can take institutions to places they really don't want to go. When pursued uncritically, it can reshape businesses and lives. Smart leaders know this and use their intuition and experience to map a sensible path for the institution. To do this, they must be able to understand fundamental tensions surrounding change—what to change and what to keep the same, when to push forward and when to pull back, and how to blend tradition and change.

Eight Fundamental Tensions

The helix in Figure 1 depicts eight tensions that challenge community colleges undergoing change (Carter and Alfred, 1999). These tensions involve dichotomies that have emerged as colleges debate their future. On the surface, they involve a simple dichotomy —change or don't change—but, in reality, there are a number of choices colleges can make. Tradition and change don't mesh easily and as conflicting belief systems clash, artificial "either/or" scenarios are often painted as the only choices. Will it be academic tradition or speed? Education or training?

Serving student needs or upholding academic standards? These concepts are presented as dichotomous choices when, in fact, they are both important and ultimately compatible. Fierce arguments that push the limits of civility on our campuses are mounted to defend each choice when, in reality, energy would be better spent looking at the continuum that exists for each and in understanding the contradictory nature of our mission.

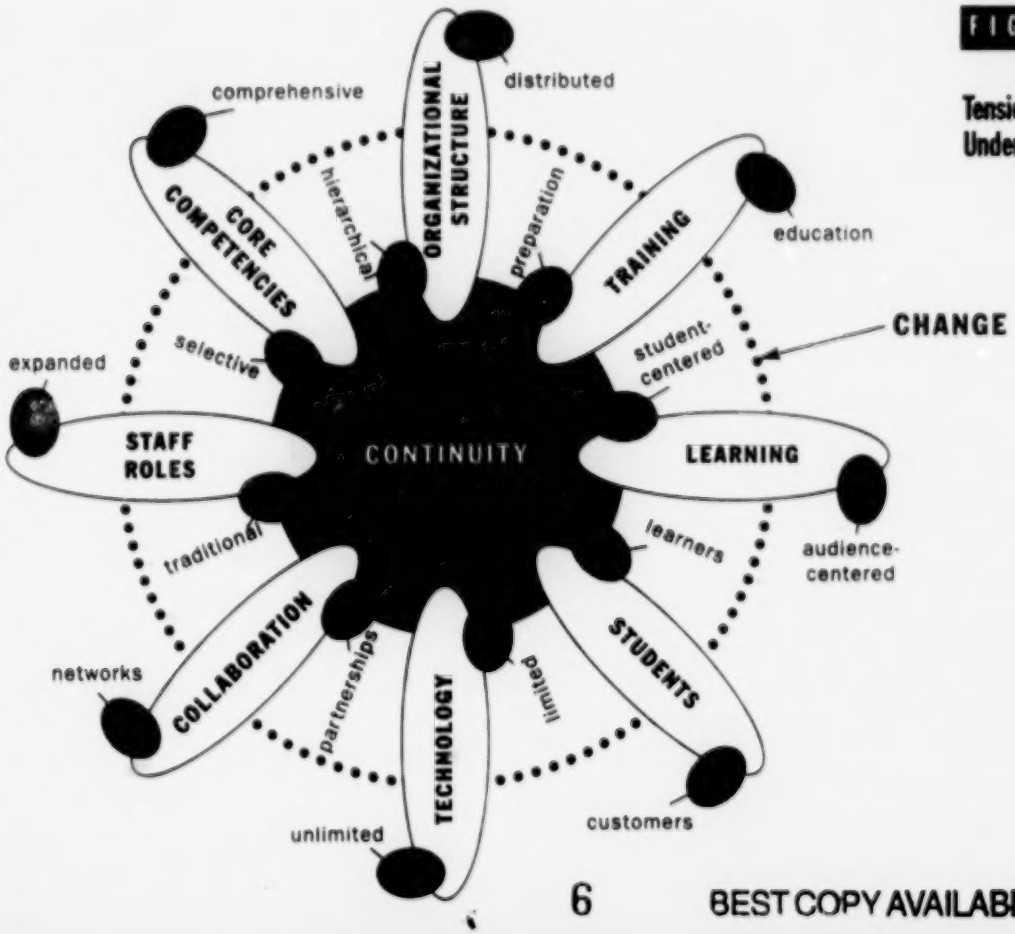

FIGURE 1

Tensions in Colleges Undergoing Change

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Training Is Education

"We are in the business of education, not training" or "General education does not get students jobs". How often do we see faculty engaged in intense discussions about what constitutes "education"? The education/training debate is as old as community colleges themselves. In pitting faculty with different backgrounds, expertise and belief systems against one another, it is perhaps the foremost tension that blocks effective change in our colleges. Fortunately, customer markets don't see this issue the same way. Whether courses are designed to educate or train, outcomes must be produced that meet expressed needs or students will go elsewhere. Can an institution with a comprehensive mission successfully blend education and training? Yes, it must. But how does it do so? Where do education and training merge and diverge? How can instructors successfully merge different curricula? When, and under what conditions should each stand alone—pursued more effectively in different parts of the college? What makes sense in the debate about education and training?

Learning Is Student-Centered

In a linear world where knowledge changes slowly, students are the center of learning, traditional paradigms work, and institutions have the capacity to restrict the learning environment to teachers and students. But the world isn't linear anymore, and it may be short-sighted to think of students as the primary beneficiary of learning. There are "end-users"—employers, policymakers, elected officials and others-who have clear expectations about what must be learned and why. Knowing this, can we afford to restrict our focus in learning to students? Or, should we take a different path, choosing instead to build change initiatives around a more expansive view of learning—one which includes a variety of parties and multiple learning modalities? Who is at the center of learning in our colleges? Should this "center" remain the same or change? What is real about learning in our colleges and why?

Students Are Customers

Faculty and staff working in the mindset of the stable markets that have been part of the past assume that students are learners who will adhere to rules that are part of academe. Course schedules, credits, the academic semester—all have been part of accepted tradition until the nexus of technology, competitors, and demanding customers opened up new ways of doing things. Today students are more than "learners"; they are also "customers" with a distinctive mind-set. While learners in a traditional organization see education as mostly lockstep, customers see education as customized to meet their needs. Learners allow curricula to shape their needs, whereas customers shape curricula to their needs. Realizing that all students are a blend of learner and customer, to what extent should we change instruction and service delivery to focus on the customer? What is the balance between faculty interests and student needs in instruction? When does a customer stop being a learner and what are the implications for teaching and learning in our colleges?

Technology Guarantees Success

"Information technologies are the core for today's economy, and to survive, all organizations must informationalize . . . from small mom and pop stores to giant global corporations" (Davis and Davidson 1991). Is technology the magic bullet for our colleges in a market loaded with fast-moving competitors and students with unlimited needs? Or, will it lull staff into thinking that it works faster and better than people when, in fact, it may not work at all? When staff become reliant on the convenience of electronic communication like faxes, E-mail, and voice mail, complacency can set in and the heart of education—direct contact between staff and students—can be lost. What is the balance between technology and people in delivering services? What are the hidden costs of technology—obsolescence, complexity, frustration—and how do they impact performance? What do we change through technology and what do we keep the same? What is real and what is mythical when it comes to technology?

Colleges Must Collaborate in a Big Way

There are three facts of life that we have come to understand in a market stretched by technology and competition—it costs more to do business, institutions can't do everything by themselves, and the choice of where and with whom to collaborate is an important decision. Our colleges are pursuing collaboration with vigor, but it is too early to

get a fix on the relationship between long-term gains and cost. Where and when does collaboration pay off? What additional work and responsibilities come with collaboration? What are its hidden costs? What is the price of early adoption and the penalty for waiting? Where should institutions invest their resources-in partners or in themselves-and under what conditions? What is the myth and the reality of collaboration?

Everyone Is an Entrepreneur

"The market will demand that each employee be turned into a business person. Yes, it means being empowered. It also means having all the organization's information at your fingertips—make that everyone's fingertips" (Peters 1992). Leaders reading about new ways of managing are being encouraged to broaden staff roles and to give them decision-making responsibility. Ultimately, this means treating staff as if they were partners, sharing information, and empowering them to make decisions. But what if staff are happy in their current roles, do not want to know everything, and do not want to become entrepreneurs? Is that wrong, or is it a reality that every college faces in change? To what extent should staff roles change to become more entrepreneurial? Should all staff be part of this change? Where is the line drawn between staff as partners and as subordinates? What is myth and reality about how staff roles will change in the future? What does this mean for institutions, for leaders and for staff?

Focus on Core Competencies

For a growing number of institutions, the concept of "one college" is an idea whose time has come and gone. Shadow colleges focusing on customized education are growing faster than traditional colleges focused on core competencies. Confidence in the comprehensive mission is giving way to a concern about how much our colleges will be able to do in a virtual sea of opportunities. Knowing that resources are limited, should we limit our horizon to what we do best and focus on core competencies? Or should we believe that institutions in a turbulent environment are either growing or dying and, to grow, must create new competencies? What are the limits of comprehensiveness? What is real and imaginary about core competencies?

Traditional Structures Are Dead

"The hierarchy is dead." How many times have we heard this sweeping statement in recent years? Yet, hierarchies remain very much alive in our institutions. Big questions remain without answers. Should we flatten the organization and redistribute authority to fast-running business units or give in and live with the hierarchy? Beyond the hierarchy, will our colleges become virtual? Will they become "hybrid" organizations changing some parts and leaving others alone? Will they become eclectic organizations with different structures serving different needs? What is real and what is mythical about how we organize our colleges for the future?

Recommendations

1. Most leaders are not schooled in organizational change and few have significant experience with it. Community college leaders need to achieve a better understanding of what change is and how it works.
2. Change strategies that are mounted on faulty foundations are doomed to fail. Leaders need to develop realistic goals for change through a careful analysis of institutional capacity including mission, culture and resources.
3. Faculty and staff have limited theoretical grounding in concepts like *contradiction* and *paradox* which are key organizing strategies in modern service organizations. Efforts need to be made to develop a better understanding of our contradictory mission and resulting internal tensions.
4. There is a natural tendency among faculty and staff to build walls between different functions and to limit their view of the institution to the area in which they work. Leaders must find ways to challenge "either/or" dichotomies and to cultivate harmony among staff in different mission components.

What Must Stay/What Must Go

With all of the talk about the future and the need for change, it would be easy to conclude that a prescription for a successful community college would include little from the past. Change would be the norm and traditions that worked in the past would be swept away in the move toward new venues

in every part of the college. Just the opposite is true. Successful colleges organize around contradiction by allowing tradition and change to coexist in different parts of the organization.

Before we describe the contradictory organization that will be a cornerstone for our colleges in the future, it is important to acknowledge what parts of our enterprise must "stay" and what must "go" to bridge successfully to the future. These elements within our colleges take two forms: "Pillars for the Future" and "Ties That Bind". They will not surprise the reader because they are woven into the fabric of most campuses—an observation we have repeatedly made in professional development programs involving more than five hundred community college executive officers since 1995.

Pillars for the Future

Our fundamental strengths—those which mark our place in postsecondary education-are the foundation for our future. *A focus on learning* involves the capacity to respond to multiple learners' needs in ways that other educational providers can't. Our comprehensive mission encourages staff to simultaneously respond to multiple constituencies, and we have developed a capacity to respond in a plethora of ways, as opposed to becoming specialized and narrowly focusing on target markets. The ever-increasing need for flexible learning opportunities for a variety of learners in a rapidly changing world will mean that this characteristic will take on even greater importance for our colleges in the future.

Access has always been. and should always be, a pillar in fulfilling our mission. Embedded in access are issues related to affordability, diversity, adaptability and flexibility. There are also new forms of delivery, such as on-line and other forms of mediated distance learning, on-site worker education in collaboration with business and industry, and other intriguing access strategies. The bottom line: community colleges will continue to be the point of entry for a large portion of the population for whom postsecondary education and training would otherwise be unattainable.

Our *core values* represent the third pillar for the future. Student success, personalized contact, responsiveness to needs, and quality have been at the heart of our colleges since their inception. These core values are based on a commitment to help individuals achieve a standard of living and quality of life to which they aspire. As society becomes increasingly dichotomized into "have/have nots," this commitment will become even critical.

WHAT MUST STAY	IMPORTANCE FOR THE FUTURE
Focus on Learning	
Learning is at the center of our colleges	Ever increasing need for flexible learning opportunities for a variety of learners in a rapidly changing world
Capacity to respond to multiple leader needs	
Access	
Affordability Adaptability Flexibility Diversity	Community colleges will continue to be the point of entry for a large portion of the population for whom postsecondary education would otherwise be unattainable
Unshakable Core Values	
Student-Centered Comprehensive Focus on Quality	Assisting individuals to achieve a standard of living and quality of life to which they aspire
Community Based	
Connections Partnerships Collaborations Workforce/Economic Development	Community colleges will play an increasingly important role in the social/economic health of the country through workforce development and community partnerships

Community connections represent the final pillar. No other form of postsecondary education is as directly linked and committed to meeting community needs. The work that community colleges have done as they have partnered, collaborated, and participated in economic and workforce development has contributed to a uniqueness that will be increasingly valued in the future. Colleges will play an enormous role in the social and economic health of their communities and the country through their community connections and partnerships.

Ties That Bind

While there are important traditions that our colleges must carry into the future, there are parts of our past that have outlived their utility. Leaders talk about people and culture as primary obstacles to change. When we probe more deeply, however, we find that it is not only people, but allegiance to outdated systems and structures that stand in the way of successful change. Words such as "insulation," "static responses," "fixed notions," "territoriality," and "boundaries" describe things that must go to make way for change. Colleges interested in change face a huge challenge. The organizational infrastructure that was created to meet customers' needs in the past is not always relevant to today's customers. Systems and structures designed to meet internal needs for control and coordination will not work with students demanding more and better service. This problem is made worse when staff dig in and resist change. Part of the problem is time—change is moving at a faster pace. And part of the problem is organizational—structures, systems and people don't easily adapt to change.

Recommendations

1. Faculty and staff hold different interests and values and approach work differently because of the roles and responsibilities they perform. These differences can divide the institution on important issues where a common understanding is important for institutional advancement. Community college leaders need to work with faculty and staff to affirm core values and to ensure an institution-wide understanding and allegiance to these values.
2. Many, perhaps most, institutions have a tendency to carry programs and services in perpetuity regardless of their health or their effect on resources. Colleges need to develop systems for continuous audit of programs, services, staff and delivery systems to weed out activities that hamper the capacity to change.

WHAT MUST GO

Unresponsive Systems and Processes
- Outdated Systems
- Processes organized around tradition
- Systems focused exclusively on internal customers

Structures that Bind
- Silos and boundaries
- Top-Down decision-making

Inadequate Performance Systems
- Narrowly-focused performance assessments
- Outdated reward systems
- Fixed notions about outcomes

IMPORTANCE FOR THE FUTURE

Marginal Programs and Services
- Outdated programs
- Services that have outlived their utility

Dysfunctional Human Resources
- Leaders who don't lead
- Resistant cultures
- Unresponsive staff

False Dichotomies
- Tradition as the only alternative
- Singular notions about change

Organizing Around Contradiction

We know that there are no static organizations in an environment of rapid-fire change. To remain vital, a college must not only pay attention to what it is doing now in order to perform better, but anticipate what it has to do tomorrow to stay competitive (Blanchard and Waghorn, 1996). In other words, it has to simultaneously manage the present and plan the future. To underscore this idea, consider the following metaphor.

Visualize a community college with operating divisions moving at different speeds. One division is moving at a cautious speed because it prefers to continue on a known path with programs, services, and delivery systems. Administrators have moved recently to rebuild this division by dropping under-enrolled programs and developing clear priorities about what it will and won't do. In fact, this division has chosen to forego opportunities in some markets and to focus on its core competencies to attract a small but steady flow of students. Its priority is on managing the present and ensuring that the future is consistent with the present—it is committed to *operational change*.

Another division is moving at a quicker pace linked to a different change scenario. It is working with a flattened, streamlined structure and departments that are integrated into cross-disciplinary divisions. By flattening the organization to a level where big decisions can be made at the contact point with students, by regrouping faculty and staff, and by making a major investment in distance delivery, this division is attempting to keep pace with its competitors. Its focus is on improving what presently exists by benchmarking and planning for a future that is an extension of, but not a radical departure from, the present—it is a division committed to *linear change*.

Moving at a high rate of speed is a third division. Its focus is squarely on the horizon to see what opportunities lie ahead. This division is intent on fashioning a whole new way of operating that is maverick in nature. It is interested in creating the future through developing innovative delivery systems that place it in new competitive arenas. To do this, it has radically changed its organizational structure and culture; internal walls and silos no longer exist and a host of new partnerships have been developed to tap energy from other organizations. This division's focus is on creating a future that will be different—it is committed to *frame-breaking change*.

These divisions—what would very likely be liberal arts/transfer, career and technical programs, and contract training in most colleges—are committed to three different change scenarios. Which approach is better-managing the present through core competencies, extending the present into the future through linear change, or creating a different future? The answer is *all of them*. Community colleges will need to embrace multiple dimensions of change to be successful in the future (Alfred and Carter, 1997). Why? For the simple reason that focusing on one dimension while ignoring the others is a prescription for failure in a comprehensive college. If a college does not organize and deliver high quality programs and services—its core competencies—and move closer to clients through continuous improvement, it's likely to lose market share. However, if the vision of leaders is limited to what the institution already has and precludes it from creating what it doesn't have, it is likely to experience trouble. A balance must be struck between continuity—building an unassailable niche through managing the present—and change—creating the future through constant innovation (Blanchard and Waghorn, 1996).

This brings us to our definition of a **Contradictory College**—one that is capable of managing tradition while simultaneously creating revolutionary change and learning from both experiences. Pursuing a one-dimensional change strategy will fail to create a long-term advantage. This means that a contradictory college will allow different dimensions of change to coexist, thereby providing considerable latitude for development (see Figure 1). It can succeed through nurturing core competencies, through continuous improvement, and through frame-breaking change—all in the same organization. This has important implications for the organization and management of community colleges as we shall see below.

We are convinced that a contradictory college is characterized by, and comfortable with, paradox. That is, it is made up of a network of organizations performing

different but equally important roles in seeming contradiction to one another. These "organizations"—transfer preparation, career education, corporate services, community development, and developmental skills—deliver different kinds of value, maintain different structures and systems, and are supported through different revenue streams. Each is organized to succeed in a particular market. For example, transfer preparation and developmental skills can work within a traditional academic structure and be supported by the general fund to deliver value to students in the form of top quality instruction. Top quality is easy to understand. It is the value our colleges create for students in courses that are taught by experienced instructors in smaller classes at a fraction of the cost students would pay elsewhere.

Different, but equally distinctive, are career education, corporate services, and community development. These organizations draw all or most of their operating resources from the private sector and the community. They maintain porous boundaries and use decentralized structures and cross-functional processes to deliver programs and services. Their approach to value focuses squarely on customers—anticipating needs and reacting faster and better than other providers. Speed and customization (delivering unique services to clients) are the guiding principles for these organizations. When combined with transfer preparation and developmental skills, they enable our colleges to simultaneously focus on different markets while creating new markets for the future.

The organizational models in Figure 2 depict community colleges as single-structure institutions today and as decentralized contradictory organizations tomorrow (Alfred, 1999). Responsiveness requires being connected to external markets and networking within and among organizations. To facilitate networking, the central core (general administration) in a contradictory organization becomes smaller and resources flow to business units that are in direct contact with external markets. These units, made up of a small, full-time professional core and a larger group of temporary staff working on a subcontractor basis, make the strategic decisions. This organization has a competitive advantage because the staff person, who has contact with businesses and clients, can modify a program or service instantly to meet needs in real time (Quinn, 1998).

Jackson Community College in Michigan (1997) is becoming a contradictory organization by turning isolated departments and services into integrated systems—five systems and a central planning board. The core system includes subject matter and learning theory central to instruction in the institutions. Three platforms in the producer/output system-technology, market, and traditional—provide customized programs and services to external markets. Each platform has its own manager, budget, and performance objectives, and a planning board comprising representatives from other systems.

The remaining systems carry out strategic and operational management functions. Marketing is the liaison between the college and the environment and is responsible for environmental scanning and reports customer needs to all systems and platforms. Marketing provides consultation on packaging and delivery and promotes and sells educational programs and services. The shared services system integrates administrative and support services with student services. Some services, membership for instance, are shared by all systems in the college and cannot be subcontracted. The monitoring and planning system is run by the college planning board, which is responsible for integrating and promoting interdependency among all systems.

Northcentral Technical College in Wisconsin (1997) also has embraced the contradictory organization concept. Self-directed teams—defined as "a group of employees who have identified themselves as having a common vision"—are crucial to Northcentral's architecture. They are responsible for the 'whole' work process that delivers a product or service to the customer. As part of its move to a team-based structure, Northcentral has eliminated four educational divisions—health and human services, business, general education, and technical/industrial—and folded them into one entity comprising entrepreneurial units (e-units). E-units can be a program area (e.g., nursing) or a combination of programs (e.g., computer-related technologies).

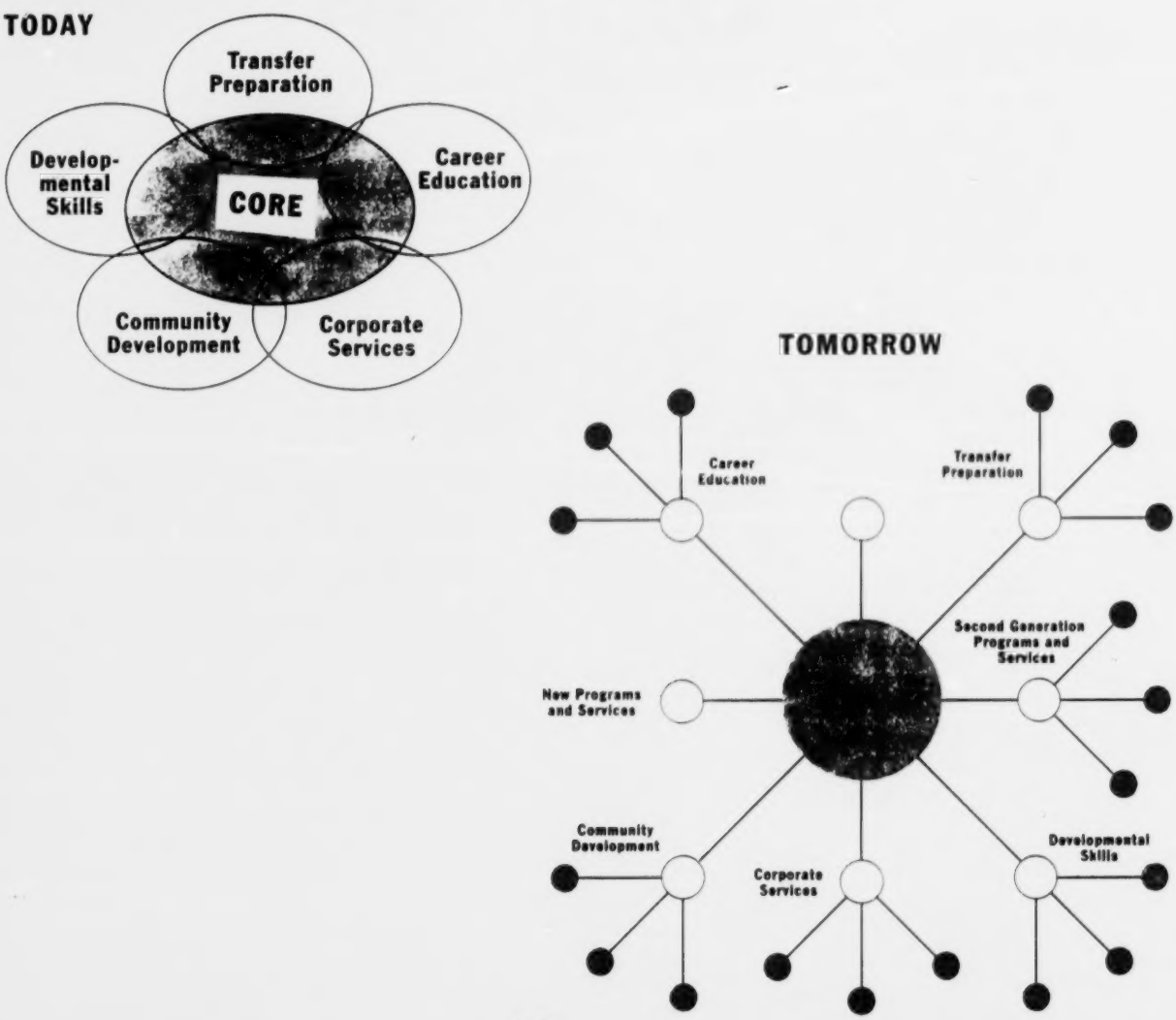
Support areas of the college (e.g., finance, human resources, information systems, instructional resources) are organized into action units (A-units). Action units' primary role is to provide services to E-units through two self-directed teams—learning and support. Staff within the learning team provide support in areas such as new program development, curriculum, and program evaluation. Support team staff provide assistance in areas such as budgeting, hiring, and managing facilities. Examples of A-units are the employee benefit action unit, library services action unit, and a student services action unit.

Solve and dissolve committees (SAD teams) address short-term problems at Northcentral. SAD teams are ad hoc and include college staff who collaborate to accomplish a task, and once it is completed, the committee dissolves. Search and screen committees and policies and procedures review/revision committees are examples of SAD teams.

Organizational structures like those at Jackson and Northcentral distinguish a college from its competitors because they focus on customers outside of the institution, rather than faculty and staff. The organization is free-flowing and creates value by considering customer needs and emphasizing interaction between staff and clients, which leads to continuous innovation in every part of the institution.

FIGURE 2

Organizational Models for Community Colleges



Recommendations

1. Change is multidimensional and there are several change modalities at work in institutions at any point in time. Faculty and staff need to embrace and accept different dimensions of change and learn how to manage them.
2. Contradiction as an organizing principle is difficult to understand among staff who have been schooled in linear principles and applied them for years on the job. Efforts need to be made to introduce staff to alternative organizational designs and to acclimate them to contradiction as a strategy around which to redesign the institution.
3. Decentralized institutions respond more quickly to changes in the environment. Colleges need to strip away administrative layers and distribute authority to units in proximity to service markets.
4. Institutions best serve customers when faculty and staff have power to make changes at the point of contact with the customer. Leaders must find ways to empower staff and to encourage them to take responsibility for innovation in customer service.

Creating New Value

New organizational designs make a college move faster in a competitive market, but they are meaningless in the absence of information about the value they create. In this closing section we speculate on the value that contradictory colleges may provide for a variety of customers. What is unique about them? What benefits do they deliver to customers? Why are they important?

Most colleges focus on matching or exceeding their competitors in the quest for students and resources, and as a result their strategies tend to converge along the same lines. Creating value that sets an institution apart from competitors requires a different way of organizing. For example, organizational redesign to increase speed and flexibility is an acknowledged competitive principle in the profit sector. One needs only to look at the delivery systems of the University of Phoenix and DeVry to understand the effect that speed can have on growth. If speed works for the University of Phoenix, how does organizing around contradiction work for community colleges?

Contradictory Colleges Provide More Value to More Customers than Conventional Organizations

In postsecondary education the fundamental strategic differences between institutions are captured by colleges that have organized differently. Most colleges have focused on a small number of core competencies and improving their competitive position through enhancement of these competencies. The key to value creation in the contradictory college is the array of options it provides to different customers beyond those that first bring them to the college.

Consider the contract training programs offered by our colleges which have created an entirely new and paradoxical market in continuing education: credit without credit. Contract training programs have expanded the mission of community colleges into the arena of customized training and, in doing so, have contributed significantly to the development of the contradictory organization. Education versus training, credit versus non-credit, tradition versus change—all are dimensions of contradiction. So, while contract training has added fuel to the education/ training debate by "narrowing" education to customized training, it has also opened doors to learning that did not exist before. Not only do contract training programs offer access to flexible non-credit courses, but they also offer access to a vast array of credit courses and curricula. The contradiction involved in simultaneously offering traditional credit and customized non-credit programs is a real advantage for an institution competing in a market loaded with competency-focused niche players and traditional institutions. Customers can get the educational equivalent of "one-stop shopping" which is premium in importance in today's market.

Contradictory Colleges Provide More Value to Customers

In the broadest sense, community colleges compete not only with institutions delivering education, but also with organizations in other industries. In making decisions about where to enroll and when, to continue enrollment or withdraw, to attend or not attend, students implicitly weigh experiences across organizations. They compare the quality of service they receive in different

organizations carrying out similar processes—hotels, banks, restaurants, transportation, and colleges. How fast was the service provided? Did they have to wait? Was the service good? Did it meet their needs? Were staff courteous? Rarely do faculty and staff think consciously about how students and customers draw from experiences across organizations in making decisions. Colleges organized around contradiction empower staff to work closely with different markets. They have an advantage in identifying and serving customer needs. The key to their success is recognizing that different parts of the college serve different customers and staff have a responsibility for continuous communication with these customers.

Contradictory colleges know that their mission is to deliver unique forms of value to customers through different parts of the college. They recruit staff with specialized skills, empower them to make decisions at the point of contact with customers, and distribute resources to the periphery of the organization where the real work takes place. Essentially, contradictory colleges are in the business of providing multiple forms of value to a variety of customers at a markedly lower cost than other organizations. By identifying customer needs more quickly and giving them access to a variety of programs and services that actually or potentially meet needs, these colleges transform latent demand for education into real demand.

Contradictory Colleges Look Beyond Students to Provide Value

Unlike other institutions, contradictory colleges do not converge around a common definition of who the customer is. They work with the reality that there is an array of customers who are directly or indirectly involved with education. *Purchasers* of customized services such as business and industry may differ from students as primary *users* in their needs and expectations for education. And, there are a host of *influencers* like government agencies, elected officials and accrediting associations who have specific expectations of education.

Most institutions converge on students as the primary target for services. By looking at a *chain* of customers, including users, purchasers, and influencers, contradictory colleges set themselves apart by delivering value to a previously overlooked set of customers. They are not in an "either-or" business. Customers come in many shapes and forms and seek multiple forms of value from a college. By focusing on secondary customers in the chain, contradictory colleges understand services cannot focus on student needs alone. Because students are hired by business and industry employers and influencers such as government agencies and elected officials make decisions that effect the flow of resources, they cannot be ignored as customers. By questioning conventional definitions of "who is" and "who should be" the target customer, contradictory colleges see new ways to create value.

Contradictory Colleges Create Value by Focusing on Experience

Programs and services used by students do not exist in a vacuum; in most cases the experience students have with them affects their value. Most colleges converge on the educational outcomes students derive from courses and services as the primary measure of their value.

Untapped value is often hidden in experience. The key is to determine the full range of experiences students have when they take a course or use a service. By staying close to customers and making decisions at the point of contact, contradictory colleges create new value through understanding how student experience detracts from or adds to their programs and services. The traditional business of education has been narrowly defined as delivering instruction and services. Students enroll and take courses, then they leave. Contradictory colleges, however, are organized to think more broadly about the total experience students have. Staff in each division are encouraged to concentrate on core functions and what they discover is that experience extends far beyond knowledge gained from taking a course or benefits gained through using a service. Value includes gaining knowledge and skills, but it also includes related experience such as learning how to interact with others, ethics, and persuasional skills. Contradictory colleges have the capacity to redefine the scope of the services they offer based on student experience. They create value by transforming the product of education from a course or service to

personal growth through the experience of education.

Contradictory Colleges Create Value by Focusing on the Horizon

Like any other organization, community colleges are subject to market forces that affect their performance. Most providers adapt incrementally and somewhat passively as events unfold. Whether it's the emergence of new technologies or competitors, they tend to focus on projecting the trend itself. Contradictory colleges create value by looking into how the trend will change value to customers, not by looking at the trend itself. By focusing on the horizon—from the value a service delivers today to value it might deliver tomorrow—they actively shape the future and create new value for customers.

The development of the Internet, for example, is an important trend certain to have a big impact on the delivery of instruction. This trend is on a constant trajectory as it expands access for learners through technology. It is a decisive, irreversible and clearly developing trend upon which new markets can be created. Faculty and staff connected directly to external markets in the contradictory organization are in a position to look across time and ask themselves what the trend would look like if taken to its logical conclusion. They have the freedom and organizational support to work with industry experts to develop a vision of new value they can create for customers. Working back from that vision of new value, they can then identify what must be changed today to unlock superior value for customers.

Conclusion

The authors were commissioned to develop a white paper on market forces based on our vision of the future of community colleges. Central to our vision is a different kind of organization built around concepts such as contradiction, change, and paradox. This organization is not presented as *the* answer for the future. Rather, it encourages a different way of thinking about what our colleges will need to do to remain vital and to get ahead of the market.

Organizational tinkering, where much of the current interest lies, is too deeply enmeshed within current organizational designs to produce sufficiently radical change. Without more thought to totally different ways of organizing, managing and leading, not only will new designs be underexploited, but they may well reinforce the current limitations of our colleges.

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